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SOUTH AMERICAN NARCOTICS: THE SPILLOVER COUNTRIES

KEY JUDGMENTS

INFORMATION AVAILABLE AS OF 7 NOVEMBER 1985 WAS USED IN THIS REPORT.

THE ILLEGAL NARCOTICS ACTIVITY THAT HAS LONG FLOURISHED IN COLOMBIA, BOLIVIA, AND PERU IS SPREADING TO NEIGHBORING COUNTRIES SUCH AS ARGENTINA, BRAZIL, ECUADOR, PARAGUAY, AND VENEZUELA, MOST OF WHICH ARE ILL PREPARED TO COMBAT THE PROBLEM. MOST OF THESE FIVE COUNTRIES HAVE BEEN USED FOR DRUG TRANSSHIPMENT PURPOSES FOR SOME TIME, BUT NOW TRAFFICKING ACTIVITIES IN THESE SPILLOVER COUNTRIES

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ARE EXPANDING AND THEY ARE SERVING INCREASINGLY AS BASES FOR NARCOTICS PROCESSING AND, TO A LESSER EXTENT, CULTIVATION OF DRUG CROPS THEMSELVES. [REDACTED]

IN OUR JUDGMENT, SEVERAL FACTORS HAVE CONTRIBUTED TO THE EXPANSION OF NARCOTICS-RELATED ACTIVITIES THRO'GHOOUT SOUTH AMERICA. WE BELIEVE THAT THE REGION'S SEVERE ECONOMIC DIFFICULTIES, COUPLED WITH GROWING DOMESTIC DRUG CONSUMPTION, HAVE INCREASED THE INCENTIVES FOR LOCAL GROUPS AND INDIVIDUALS IN THE SPILLOVER COUNTRIES TO ENTER THE LUCRATIVE NARCOTICS TRADE. THE ASSASSINATION IN COLOMBIA OF JUSTICE MINISTER LARA BONILLA IN APRIL 1984 PRECIPITATED A MAJOR ANTINARCOTICS CAMPAIGN IN THAT COUNTRY THAT HAS LED ITS DRUG MAFIA TO SEEK GREENER PASTURES IN THE NEIGHBORING STATES OF ECUADOR, VENEZUELA, AND BRAZIL. OTHER SHARED CHARACTERISTICS THAT HAVE CONTRIBUTED TO THE SPILLOVER PHENOMENON INCLUDE:

--VAST, ISOLATED, AND SPARSELY POPULATED AREAS--ESPECIALLY THE AMAZON BASIN REGION OF BRAZIL AND ECUADOR AND THE ORINOCO RIVER BASIN IN VENEZUELA--WHICH ARE IDEAL FOR CONDUCTING ILLEGAL ACTIVITIES.

--CLIMATE AND TERRAIN SUITABLE FOR COCA AND CANNABIS CULTIVATION. FOR EXAMPLE, 12-FOOT COCA PLANTS--AMONG THE LARGEST EVER FOUND IN SOUTH AMERICA--HAVE BEEN DESTROYED IN EASTERN ECUADOR.

--LONG, POORLY CONTROLLED BORDERS THAT FACILITATE ILLEGAL CROSS-BORDER MOVEMENT.

--EASY ACCESS BY AIR AND SEA TO MARKETS IN THE UNITED STATES AND EUROPE.

--ESTABLISHED BANKING AND FINANCIAL SECTORS--PARTICULARLY IN ARGENTINA AND BRAZIL--THAT CAN EASILY ACCOMMODATE THE MOVEMENT AND LAUNDERING OF DRUG REVENUES.

--EASY ACCESS TO CHEMICALS USED IN THE REFINING OF COCAINE, ESPECIALLY IN BRAZIL. [REDACTED]

THE SPEED WITH WHICH TRAFFICKERS HAVE ESTABLISHED OPERATIONS IN THE SPILLOVER COUNTRIES HAS LEFT MOST GOVERNMENTS SCRAMBLING TO ELIMINATE THESE ACTIVITIES BEFORE THEY REACH THE NEARLY UNCONTROLLABLE LEVELS THAT EXIST ELSEWHERE ON THE CONTINENT. WE BELIEVE THAT ECUADOR'S PRESIDENT FEBRES-CORDERO HAS BEEN WAGING THE MOST AGGRESSIVE DRUG ENFORCEMENT CAMPAIGN

AGAINST TRAFFICKERS AND GROWERS. CONVERSELY, WE BELIEVE THAT NARCOTICS TRAFFICKERS HAVE MET LITTLE OPPOSITION IN PARAGUAY BECAUSE OF A LACK OF COMMITMENT BY PRESIDENT STROESSNER AND THE INVOLVEMENT OF POWERFUL MILITARY FIGURES IN THE DRUG TRADE. IN OUR VIEW, THESE TWO CASES REPRESENT THE TWO EXTREMES; THE ENFORCEMENT EFFORTS MADE BY BRAZIL, ARGENTINA, AND VENEZUELA FALL SOMEWHERE IN BETWEEN BUT CLOSER TO ECUADOR'S. [REDACTED]

WE BELIEVE THAT ONE OF THE MOST POSITIVE ASPECTS OF THE ONGOING DRUG ENFORCEMENT ACTIVITIES IS THE GROWING COOPERATION BOTH WITHIN THE REGION AND BETWEEN LOCAL GOVERNMENTS AND THE UNITED STATES. THE

BEST EXAMPLES OF THIS COOPERATION ARE THE JOINT INTERDICTION AND ERADICATION OPERATIONS COLOMBIA HAS CONDUCTED ALONG ITS BORDER WITH ECUADOR AND PERU. THE ECUADOREAN OPERATION IS PARTICULARLY NOTEWORTHY BECAUSE IT REPRESENTS THE FIRST COMBINED EFFORT BY TWO SOUTH AMERICAN COUNTRIES TO CONDUCT ANTIDRUG OPERATIONS ALONG A COMMON BORDER. ADDITIONAL EXAMPLES INCLUDE INCREASED COLLABORATION BETWEEN THE VENEZUELAN AND COLOMBIAN ARMED FORCES AND ATTEMPTS BY BRAZIL AND VENEZUELA TO STEM THE CROSS-BORDER FLOW OF ESSENTIAL CHEMICALS USED IN THE PRODUCTION OF COCAINE. [REDACTED]

NEVERTHELESS, IN OUR VIEW MAJOR OBSTACLES HAMPER LOCAL ANTIDRUG PROGRAMS. EACH OF THE GOVERNMENTS LACKS FUNDS AND TECHNICAL EXPERTISE AND WILL CONTINUE TO LOOK TO THE UNITED STATES FOR ASSISTANCE. MOREOVER, THE PERFORMANCE OF SECURITY FORCES AGAINST TRAFFICKERS SUFFERS THROUGHOUT THE REGION FROM BUREAUCRATIC RIVALRIES AND INADEQUATELY DEFINED MISSIONS. CORRUPTION AND OFFICIAL COMPLICITY IN THE DRUG TRADE ALSO ARE EVIDENT, ALTHOUGH LESS PERVASIVE AT THIS STAGE THAN IN THE MAJOR NARCOTICS TRAFFICKING COUNTRIES. IN SUM, THE WEAKNESSES IN LEGAL, JUDICIAL, AND SECURITY INSTITUTIONS IN THESE FIVE COUNTRIES, TOGETHER WITH THE ENORMOUS FINANCIAL RESOURCES OF THE TRAFFICKERS AND THE REGION'S DISMAL SHORT-TERM ECONOMIC PROSPECTS, LEAD US TO CONCLUDE THAT THESE GOVERNMENTS WILL BE HARD PRESSED TO PREVENT THE NARCOTICS INDUSTRY FROM CONTINUING TO EXPAND. [REDACTED]

[REDACTED]